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8 Attorneys for Complainant

9 **BEFORE THE**
CALIFORNIA BOARD OF ACCOUNTANCY
10 **DEPARTMENT OF CONSUMER AFFAIRS**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

13 RAYMOND M. VASQUEZ, CPA
294 Shasta Avenue, Suite A
14 Chula Vista, CA 91910
15 CPA Certificate No. 27988

16 Respondent.

Case No. AC-2002-15

OAH No. L-2002070708

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER**

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18 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the
19 above-entitled proceedings that the following matters are true:

20 PARTIES

21 1. Carol Sigmann (Complainant) is the Executive Officer of the California
22 Board of Accountancy. She brought this action solely in her official capacity and is represented
23 in this matter by Bill Lockyer, Attorney General of the State of California, by Linda K.
24 Schneider, Deputy Attorney General.

25 2. Raymond M. Vasquez, CPA (Respondent) is represented in this
26 proceeding by Charles Benninghoff of Benninghoff & Ramirez, whose address is 31897 Del
27 Obispo, Suite 220, San Juan Capistrano CA 92675.

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3. On or about June 1, 1979, the California Board of Accountancy issued Certified Public Accountant Certificate number CPA 27988 to Raymond M. Vasquez, CPA (Respondent). The certificate is currently in full force and effect and will expire on August 31, 2003, unless renewed.

JURISDICTION

4. Accusation No. AC-2002-15 was filed before the California Board of Accountancy (Board), Department of Consumer Affairs, and is currently pending against Respondent. The Accusation and all other statutorily required documents were properly served on Respondent on May 30, 2002. Respondent timely filed his Notice of Defense contesting the Accusation. A copy of Accusation No. AC-2002-15 is attached as Exhibit A and is incorporated herein by reference.

ADVISEMENT AND WAIVERS

5. Respondent has carefully read, fully discussed with his representative, and understands the charges and allegations in Accusation No. AC-2002-15. Respondent has also carefully read, fully discussed with his representative, and understands the effects of this Stipulated Settlement and Disciplinary Order.

6. Respondent is fully aware of his legal rights in this matter, including the right to a hearing on the charges and allegations in the Accusation; the right to confront and cross-examine the witnesses against him; the right to present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.

7. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

CULPABILITY

8. Respondent admits the truth of each and every charge and allegation in Accusation No. AC-2002-15.

9. Respondent agrees that his Certified Public Accountant Certificate is subject to discipline and he agrees to be bound by the Board 's imposition of discipline as set forth in the Disciplinary Order below.

CONTINGENCY

10. This stipulation shall be subject to approval by the California Board of Accountancy. Respondent understands and agrees that counsel for Complainant and the staff of the Board may communicate directly with the Board regarding this stipulation and settlement, without notice to or participation by Respondent or his counsel. By signing the stipulation, Respondent understands and agrees that he may not withdraw his agreement or seek to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Board shall not be disqualified from further action by having considered this matter.

11. The parties understand and agree that facsimile copies of this Stipulated Settlement and Disciplinary Order, including facsimile signatures thereto, shall have the same force and effect as the originals.

12. In consideration of the foregoing admissions and stipulations, the parties agree that the Board may, without further notice or formal proceeding, issue and enter the following Disciplinary Order:

DISCIPLINARY ORDER

IT IS HEREBY ORDERED that Certified Public Accountant Certificate number CPA 27988 issued to Respondent Raymond M. Vasquez, CPA is revoked. However, the revocation is stayed and Respondent is placed on probation for three (3) years on the following terms and conditions.

1. **Obey All Laws.** Respondent shall obey all federal, California, other states' and local laws, including those rules relating to the practice of public accountancy in California.

1 2. **Submit Written Reports.** Respondent shall submit, within ten (10) days
2 of completion of the quarter, written reports to the Board on a form obtained from the Board.
3 The Respondent shall submit, under penalty of perjury, such other written reports, declarations,
4 and verification of actions as are required. These declarations shall contain statements relative to
5 Respondent's compliance with all the terms and conditions of probation. Respondent shall
6 immediately execute all release of information forms as may be required by the Board or its
7 representatives.

8 3. **Personal Appearances.** Respondent shall, during the period of probation,
9 appear in person at interviews/meetings as directed by the Board or its designated
10 representatives, provided such notification is accomplished in a timely manner.

11 4. **Comply With Probation.** Respondent shall fully comply with the terms
12 and conditions of the probation imposed by the Board and shall cooperate fully with
13 representatives of the Board of Accountancy in its monitoring and investigation of the
14 Respondent's compliance with probation terms and conditions.

15 5. **Practice Investigation.** Respondent shall be subject to, and shall permit,
16 practice investigation of the Respondent's professional practice. Such a practice investigation
17 shall be conducted by representatives of the Board, provided notification of such review is
18 accomplished in a timely manner.

19 6. **Comply With Citations.** Respondent shall comply with all final orders
20 resulting from citations issued by the Board of Accountancy.

21 7. **Tolling of Probation For Out-of-State Residence/Practice.** In the event
22 Respondent should leave California to reside or practice outside this state, Respondent must
23 notify the Board in writing of the dates of departure and return. Periods of non-California
24 residency or practice outside the state shall not apply to reduction of the probationary period, or
25 of any suspension. No obligation imposed herein, including requirements to file written reports,
26 reimburse the Board costs, or make restitution to consumers, shall be suspended or otherwise
27 affected by such periods of out-of-state residency or practice except at the written direction of the
28 Board.

1 8. **Ethics Examination.** Respondent shall take and pass with a score of
2 ninety (90) percent or better a Board approved ethics examination within six months prior to the
3 expiration of the probation period.

4 If Respondent fails to pass said examination within the time period provided or
5 within three (3) attempts, Respondent shall so notify the Board and shall cease practice until
6 Respondent takes and successfully passes said exam, has submitted proof of same to the Board,
7 and has been notified by the Board that he may resume practice. Failure to pass the required
8 examination no later than six months prior to the expiration of the term of probation shall
9 constitute a violation of probation.

10 Notwithstanding any other provision of this probation, failure to take and pass this
11 examination within five years of the effective date of this order constitutes a separate cause for
12 discipline of Respondent's certificate.

13 9. **Community Service - Free Services.** Respondent shall participate in a
14 community service program as directed by the Board or its designee in which Respondent
15 provides free professional services on a regular basis to a community or charitable facility or
16 agency, amounting to a minimum of twenty five (25) hours. Such services are to begin no later
17 than three (3) months after Respondent is notified of the program and to be completed no later
18 than six (6) months prior to the expiration of the term of probation. Respondent shall submit
19 proof of compliance with this requirement to the Board. Respondent is entirely responsible for
20 his performance in the program and the Board assumes neither express nor implied responsibility
21 for Respondent's performance nor for the product or services rendered.

22 10. **Cost Reimbursement.** Respondent shall reimburse the Board Four
23 Thousand Six Hundred Sixty Two Dollars (\$4,662.00) for its investigation and prosecution costs.
24 Respondent shall pay the first One Thousand Dollars (\$1,000.00) within thirty (30) days of the
25 effective date of this decision. The balance of Three Thousand Six Hundred Sixty Two Dollars
26 (\$3,662.00) shall be paid in equal quarterly installments sent with Respondent's quarterly
27 reports. All payments must be completed no later than six (6) months prior to the expiration of
28 the term of probation.

11. **Violation of Probation.** If Respondent violates probation in any respect, the Board, after giving Respondent notice and an opportunity to be heard, may revoke probation and carry out the disciplinary order that was stayed. If an accusation or a petition to revoke probation is filed against Respondent during probation, the Board shall have continuing jurisdiction until the matter is final, and the period of probation shall be extended until the matter is final.

12. **Completion of Probation.** Upon successful completion of probation, Respondent's certificate will be fully restored.

ACCEPTANCE

I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my representative, Charles Benninghoff. I understand the stipulation and the effect it will have on my Certified Public Accountant Certificate. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the California Board of Accountancy.

DATED: 2/24/03.


RAYMOND M. VASQUEZ, CPA
Respondent

I have read and fully discussed with Respondent Raymond M. Vasquez, CPA the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: 2/24/03.


CHARLES BENNINGHOFF
Respondent's Representative

1 ENDORSEMENT

2 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully
3 submitted for consideration by the California Board of Accountancy of the Department of
4 Consumer Affairs.

5 DATED: 2/27/03.

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7 BILL LOCKYER, Attorney General
of the State of California

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10 LINDA K. SCHNEIDER
Deputy Attorney General

11 Attorneys for Complainant
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**BEFORE THE
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

RAYMOND M. VASQUEZ

CPA Certificate No. 27988

Respondent.

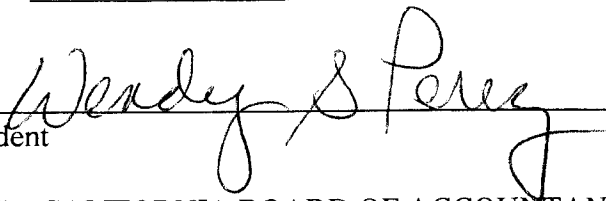
Case No.AC-2002-15

DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the California Board of Accountancy, Department of Consumer Affairs, as its Decision in the above entitled matter.

This Decision shall become effective on April 25, 2003.

It is so ORDERED on March 22, 2003.



President

For The CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS

Exhibit A

Accusation No. AC-2002-15

1 BILL LOCKYER, Attorney General
of the State of California
2 TIMOTHY L. NEWLOVE
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3 State Bar No. 73428
Department of Justice
4 110 West A Street, Suite 1100
Post Office Box 85266
5 San Diego, California 92101
Telephone: (619) 645-3034

6 Attorneys for Complainant

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8 **BEFORE THE**
9 **BOARD OF ACCOUNTANCY**
10 **DEPARTMENT OF CONSUMER AFFAIRS**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. AC-2002-15

13 RAYMOND M. VASQUEZ
294 Shasta Avenue #A
Chula Vista, CA 91910

ACCUSATION

14 CPA License No. 27988

15 Respondent

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17 The Complainant, Carol Sigmann, for cause of accusation against RAYMOND
18 M. VASQUEZ, alleges:

19 **PARTIES**

20 1. The Complainant, Carol Sigmann, is the Executive Officer of the California
21 Board of Accountancy (hereinafter the "Board") and makes this Accusation solely in her official
22 capacity.

23 2. On June 1, 1979, the Board issued to respondent RAYMOND M.
24 VASQUEZ (hereinafter respondent "VASQUEZ") a certificate, No. 27988, of Certified Public
25 Accountant, to practice accountancy in the State of California pursuant to the Accountancy Act,
26 Division 3, Chapter 1, § 5000 et seq. of the California Business and Professions Code. The
27 certificate is renewed through August 31, 2003.

JURISDICTION

3. Business and Professions Code § 5100 authorizes the Board to bring an administrative disciplinary proceeding against a license holder under the Accountancy Act for unprofessional conduct.

FACTS

4. On or about February 25, 1993, the Board issued Citation No. CT-93-36 to respondent VASQUEZ. The Citation charged that respondent violated Business and Professions Code § 5055 by representing himself as a Certified Public Accountant and practicing public accountancy without a valid permit during the period August, 1989 to May, 1992. The Citation also charged that respondent violated Section 3, Title 16 of the California Code of Regulations (hereinafter "Board Rules") by failing to notify the Board of a change of address during the same time period. Effective May 17, 1993, respondent paid \$600 in fines and complied with the Citation.

5. Under Business and Professions Code § 5070.5, respondent's certificate of Certified Public Accountant is renewable every two years. The applicable renewal period for respondent's certificate is September 1 through August 31 of odd numbered years.

6. On September 1, 1997, respondent's certificate of Certified Public Accountant expired for failure to pay the renewal fee and failure to submit a declaration of compliance with continuing education requirements. Effective August 29, 2001, respondent's certificate was renewed through August 31, 2003.

7. Although respondent's certificate of Certified Public Accountant was expired during the period from September 1, 1997 to August 28, 2001, respondent VASQUEZ nevertheless continued to practice public accountancy within the meaning of Business and Professions Code § 5051. During this period, respondent advertised in the phone book as a Certified Public Accountant. During this period, respondent also performed audits and reviews.

8. On or about July 2, 2001, the Board's Enforcement Division sent a letter to respondent VASQUEZ. The letter requested that respondent provide certain materials,

1 including information concerning the continuing education courses that respondent had taken
2 during the renewal period from September 1, 1997 to August 31, 1999.

3 9. On or about March 19, 2002, respondent sent to the Board documents
4 showing the following continuing education courses taken during the period from September 1,
5 1997 to August 31 1999:

<u>Sponsor/Course</u>	<u>Date</u>	<u>CE Units</u>
RIA Group: Tax Research	11-12-97	2
Eckle & Associates: Quick Books in a Day	5-8-98	7
Eckle & Associates Quick Books in a Day	5-9-98	7
NASBA: Taxation (1040 Review & Update)	1-21-99	24
Microsoft Great Plains: Report Writer	6-15-99	---
Microsoft Great Plains: Accounts Payable	6-23-99	---
Microsoft Great Plains: General Ledger	6-24-99	---
Microsoft Great Plains: System Manager	7-6-99	---
UCD Extension Taxation of the Business Entity	7-7-99 to 8-17-99	21

FIRST CAUSE OF ACCUSATION

(Practicing Public Accounting Without a Valid Permit)

10. Complainant incorporates herein by this reference the preamble and each
of the allegations set forth in paragraphs 1 through 7 hereinabove.

11. Business and Professions Code § 5100(f) provides that unprofessional
conduct under the Accountancy Act includes a willful violation of the Act or any regulation
promulgated by the Board.

12. Business and Professions Code § 5050 provides, in pertinent part, that "no person shall engage in the practice of public accountancy in this State unless such person is the holder of a valid permit to practice public accountancy issued by the Board . . ."

13. The certificate of Certified Public Accountant held by respondent VASQUEZ is subject to discipline under Business and Professions Code § 5100(f), for a violation of Business and Professions Code § 5050, in that during the period from September 1, 1997 to August 28, 2001, respondent engaged in the practice of public accountancy with an expired certificate.

SECOND CAUSE OF ACCUSATION

(Failure to Comply with
Continuing Education Requirements)

14. Complainant incorporates herein by this reference the preamble and each of the allegations set forth in paragraphs 1 through 9 and 11 hereinabove.

15. Board Rule 87(a) provides, in pertinent part, that "[a]s a condition of active status license renewal, a licensee shall complete at least 80 hours of qualifying continuing education as described in (Board Rule) 88 in the two-year period immediately preceding license expiration . . ."

16. Board Rule 87(c) provides, in pertinent part, that a licensee who engages in planning, directing, performing substantial portions of the work, or reporting on an audit, review, compilation or attestation service, shall complete 24 hours of the 80 hours of continuing education required in Board Rule 87(a) in courses pertaining to financial statement preparation and/or reporting.

17. Board Rule 89(c) provides, in pertinent part, that if a licensee claims continuing education credit for a continuing education course, the licensee shall obtain and retain for four (4) years after renewal a certification of completion disclosing specified information, including the number of hours of actual attendance.

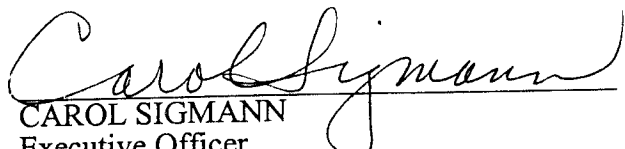
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1 18. The certificate of Certified Public Accountant held by respondent
2 VASQUEZ is subject to discipline under Business and Professions Code § 5100(f), for violations
3 of Board Rules 87(a), 87(c), and 89(c), in that the materials provided by respondent to the Board
4 concerning the continuing education courses that he attended during the period from September
5 1, 1997 to August 31, 1999, did not show that respondent took the required 80 hours of
6 continuing education, did not show that respondent took the 24 hours of Accounting and
7 Auditing continuing education required by Board Rule 87(c), and the Microsoft Great Plains
8 certificates did not contain the information required in Board Rule 89(c)(6).

9 WHEREFORE, the complainant requests that a hearing be held on the matters
10 herein alleged, and that following said hearing, the Board issue a decision:

- 11 1. Revoking, suspending or otherwise imposing discipline upon Certified
12 Public Accountant Certificate Number 27988, issued to RAYMOND M. VASQUEZ; and
13 2. Taking such other further action as may be deemed proper.

14
15 DATED: May 22, 2002
16

17
18 
19 CAROL SIGMANN
20 Executive Officer
21 California Board of Accountancy
22 Department of Consumer Affairs
23 State of California

24
25 Complainant
26